

THE COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

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June 26, 2006

Mr. Robert N. Werlin, Esq. Keegan Werlin LLP 265 Franklin Street Boston, MA 02110

RE: D.T.E. 06-40 NSTAR Electric Petition for Approval of Merger

Department's Second Set of Information Requests

Dear Mr. Werlin:

Enclosed please find the Department of Telecommunications and Energy's Second Set of Information Requests to Boston Edison Company, Cambridge Electric Light Company, Canal Electric Company, and Commonwealth Electric Company in the above-referenced proceeding. Please provide the requested answers by July 5, 2006. If you have any questions on this request, please contact me at (617) 305-3613.

Sincerely,

/s/

Joan Foster Evans Hearing Officer

cc. Mary L. Cottrell, Secretary Service List Staff as assigned

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

SECOND SET OF INFORMATION REQUESTS D.T.E. 06-40

Pursuant to 220 C.M.R. § 1.06 (6)(c), the Department of Telecommunications and Energy ("Department") submits to Boston Edison Company ("Boston Edison"), Cambridge Electric Light Company ("Cambridge"), Canal Electric Company ("Canal"), and Commonwealth Electric Company ("Commonwealth") (jointly "NSTAR Electric" or "Companies") the following Information Requests.

I. Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Companies in this proceeding.

- 1. Each request should be answered in writing on a separate three-hole punched page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
- 2. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
- 3. These requests shall be deemed continuing so as to require further supplemental responses if the Companies or their witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
- 4. The term "provide complete and detailed documentation" means:
 - Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
- 5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
- 6. If the Companies find that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.

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7. If a question refers to an Information Request of another party, please provide that response and answer with information that supplements the previous response.

8. Please serve a copy of the responses on Mary L. Cottrell, Secretary of the Department; also submit two (2) copies of the responses to Joan Foster Evans, Hearing Officer, and one copy each to Paul Osborne, Meera Bhalotra, Jeff Hall and Joseph Passaggio of the Rates and Revenue Requirements Division, and Shashi Parekh of the Electric Power Division.

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II. Information Requests

PTE 2-1 Refer to Exh. NSTAR-CLV-1, at 10. Please provide a cost/benefit analysis for the consolidation of Cambridge, Commonwealth and Canal into NSTAR Electric. The Companies' response should focus on savings that can be achieved only through the consolidation of the local distribution companies themselves.

- PTE 2-2 Refer to Exh. NSTAR-CLV-1, at 23. Please identify the parties who assisted in the preparation of the Companies' analysis of the Federal Energy Regulatory Commission's ("FERC") seven-part test with regard to Cambridge's 13.8 kV facilities.
- PTE 2-3 Refer to Exh. NSTAR-CLV-1, at 29. Given that Boston Edison, Commonwealth and Cambridge must maintain separate distribution rates in their existing service territories until at least January 1, 2010, please explain why Department approval is being requested to consolidate depreciation rates at this time in this proceeding. As part of your response, illustrate how the change in depreciation rates would be reflected in the existing separate distribution rates.
- DTE 2-4 Refer to Exh. NSTAR-CLV-1, at 31. Please provide the depreciation rates that are currently being used by Boston Edison, Cambridge, and Commonwealth to calculate depreciation expense on intangible plant, distribution plant, and general plant for financial accounting purposes. If the depreciation accrual rates contained in Exh. NSTAR-CLV-9 are in current use, confirm or revise as necessary.
- PTE 2-5 Refer to Exh. NSTAR-CLV-1, at 31 and Exh. NSTAR-CLV-10. Please explain in further detail why the accrual rates for Accounts 361 through 373 based upon the depreciation study performed in D.T.E. 05-85 were decreased by a factor of 4.9838 percent.
- DTE 2-6 Refer to Exh. NSTAR-CLV-10. Please provide the plant balance, broken down for Boston Edison, Cambridge, and Commonwealth, for the following accounts;
 - (1) Account 369, Services Overhead; and
 - (2) Account 369, Services Underground.
- DTE 2-7 Please provide a map or maps of the Cambridge service territory that clearly shows the location of all 13.8 kV lines.

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DTE 2-8 Please list any and all additions or modifications that have been made to Cambridge's 13.8 kV lines since they were classified as transmission in D.T.E. 97-95.

- DTE 2-9 Refer to Exh. NSTAR-CLV-1, at 21. Please provide a detailed list of all the structural changes that were made that resulted in Cambridge's 13.8 kV facilities changing from an integrated transmission network to a distribution system that provides power to local load. Include the dates that any such structural changes were completed.
- PTE 2-10 Refer to Exh. NSTAR-CLV-1, at 23. For each part of the FERC seven-part test, please provide a detailed explanation of the structural changes that were made to the 13.8 kV facilities that resulted in a change in the response in the table provided from "No" to "Yes" between 1997 and 2006, if such a change occurred. If the change that occurred stemmed from a change in the characteristics of the Cambridge distribution system and not a change to the 13.8 kV facilities, please explain any such change.
- DTE 2-11 Refer to Exh. NSTAR-CLV-1, at 24. Aside from the construction of the new substation and the new 115 kV lines, please describe any changes to the configuration of the Cambridge transmission and distribution system since 1997 that have had an effect on the operating characteristics of the 13.8 kV facilities.
- DTE 2-12 Refer to Exh. NSTAR-CLV-1, at 20. Please provide the estimated change in transmission rates for customers of each of the Companies without including the transfer of costs related to the 13.8 kV facilities.